



EXPEDITED RULE MAKING

CR-105 (June 2004)
(Implements RCW 34.05.353)
EXPEDITED RULE MAKING ONLY

Agency: Department of Revenue

Title of rule and other identifying information: WAC 458-20-102 *Resale certificates* (Rule 102). Rule 102 explains the resale certificate and conditions under which a buyer may furnish a resale certificate to a seller. The rule includes tax reporting information for persons who purchase articles or services for dual purposes.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO

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AND RECEIVED BY October 6, 2008

Purpose of the proposal and its anticipated effects, including any changes in existing rules:

WAC 458-20-102 (Rule 102) explains that a resale certificate provided for multiple purchases over a period must be renewed every four years. The Department is proposing to amend Rule 102 to recognize that the requirement to renew a resale certificate every four years no longer applies. As of July 1, 2008, a resale certificate continues as long as the buyer has a "recurring business relationship" with the seller, which is defined by law as making at least one purchase from the seller within a period of 12 consecutive months.

While there is no longer a requirement to renew a resale certificate if the seller can substantiate that a recurring business relationship exists, the rule also explains that the Department will accept a resale certificate as evidence for wholesale sales that occur within four years of the certificate's effective date without evidence of sales transactions being made once every twelve months. Some language in the existing rule has been relocated within the rule to provide the information in a more useful manner, or eliminated as unnecessary. The sample resale certificate has been eliminated and the reader is referred to telephone information center, and mailing address for a certificate to be completed.

Copies of draft rules are available for viewing and printing on our website at:

<http://dor.wa.gov/content/FindALawOrRule/RuleMaking/agenda.aspx>

Statutory authority for adoption:

RCW 82.32.300, 82.32.291, and 82.01.060(2)

Statute being implemented:

RCW 82.04.470 and 82.32.291

Is rule necessary because of a:

Federal Law?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Federal Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
State Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

If yes, CITATION:

Date July 29, 2008

Name

Alan R. Lynn

Signature

Title Rules Coordinator

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: July 29, 2008

TIME: 2:26 PM

WSR 08-16-040

Name of proponent: (person or organization)

☐ Private

☐ Public

☒ Governmental

Name of agency personnel responsible for:			
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Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters: None